

**State of the City  
Wheeling, West Virginia 26003**



**Mayor Andy McKenzie**

**February 16, 2010**

**[www.WheelingWV.gov](http://www.WheelingWV.gov)**

Thank you Pastor Mike Amico, and for the CD Greater Things are to come to this City.

Welcome to everyone here today. I want to first thank Rotary Club for sharing their meeting and inviting the Lions, Kiwanis Club, Civitans, Serrans and the Ohio Valley Jaycees. I also want to thank all of you for taking time out of your busy schedule and braving the cold, snowy weather to be here today for the first ever State of the City Address for Wheeling. I would like to take a moment to introduce the following people: Vice Mayor Gene Fahey, Councilwoman Gloria Delbrugge, Councilman Herk Henry, Councilman Donnie Atkinson, Councilman Vern Seals and Councilman James Tiu. Also City Manager Robert Herron, City Clerk Janice Jones, City Solicitor Rosemary Humway-Warmuth, Human Resources Director David Denham, City Finance Director Mike Klug, Assistant Director of Economic and Community Development Tom Connelly, Fire Chief Larry Helms, Police Chief Robert Matheny, Marketing Director Joelle Ennis and the Public Works Director Rusty Jebbia. I want to thank all of them for their hard work every day on behalf of the citizens of the City of Wheeling.

Each day as a citizen we wake up and have running water, have our garbage removed, drive on city streets, walk on city sidewalks, call 911 when we have an emergency and need assistance from our fire or police departments. We as citizens rarely consider what our four hundred city employees do every day to deliver these services to us and keep our city

running smoothly. I personally want to thank them for what they do every day, especially the work they have done recently with all of this snow. Over the last two weeks we have experienced one of the top 4 snow events in our Ohio Valley's history. And each morning it is evident of the tremendous amount of work that has been done for us as we sleep. They have worked tirelessly to keep our roads clear and safe. For that, I thank these dedicated city employees.

To start with, in the past year there have been over 37 major business expansions or investments in the City of Wheeling with new construction totaling over 27 million dollars. This year we are on target to do over 29 million dollars in new construction and that 29 million does not include the expansion of Wheeling Hospital's new building, their ER and additional wing costing over 50 million dollars; or OVMC's new 7 million dollar psychiatric expansion; or the 3 million dollars being invested into new construction for residential properties in East Wheeling. 2010 could be one of the largest capital investments of new construction in the City of Wheeling in many years. Just in the last four years over 100 million dollars of new construction has taken place in the city, and this number does not include the 200 million dollars worth of new construction at the highlands. All of that construction is right here in Wheeling and throughout Ohio County. As citizens we do not always realize the amount of new construction that is happening in our community. Think about that number: over 300 million dollars in new construction over the past few years! That's jobs, investments and progress!

Here with us today are a couple of businesses I would like to recognize. First, I would like to thank Lisa & Barry Allen of Ziegenfelder's and her family for their investment in our community. For over a hundred years Ziegenfelder's has been a part of the City of Wheeling. They almost left the City, but chose to stay in Wheeling. Today, they have increased employment and invested millions of dollars in their company. And here is a fun fact about Ziegenfelder's: they make over one million twin pops a day; that's one million twin pops every day! Thank you Lisa, Barry and your family for your investment in the City of Wheeling!

Another great company that was started right here in Wheeling and chose to stay, invest their time and money and continues to be a leading business not only in Wheeling but across the nation is Panhandle Cleaning and Restoration. The Contraguerro family is a family of leaders in our city; they continue to demonstrate how to operate a successful business. Their technology allows them to be a leader in their industry when your personal belongings are damaged due to water or fire. From anywhere in the nation you can ship your items to Wheeling, have them cleaned or restored and then sent back to you. Thank you Contraguerro family for your investment in the City of Wheeling.

And if you've ever had a construction project on your property, you know all about the permit process. In the past, you had to come to the city building and receive a construction permit in which the city

obtained data concerning your project. And if necessary, submit any architectural drawings plus pay a fee for each permit obtained. Through this data, the City of Wheeling keeps track of every project, inspects the project for safety issues and helps the owner with any concerns or questions about state or city regulations. And because of this permit process we know each year how much construction is occurring in our city. So, when we were elected, I asked each department head for any ideas or suggestions that could make the city of Wheeling operate more efficiently. Many came back with ideas of how we could do a better job, reduce expenses to the tax payers and become more efficient. One of those changes was the process of how you receive a building permit because a minor remodeling project could require a building permit, a plumbing permit, and possibly an electrical permit, and you would pay a fee for each one. Director of Economic and Community Development Nancy Prager brought the idea to the table: what if we had only one permit and one fee which included all work with the availability to apply for your permit on-line? WOW! What an idea! So last year council voted to change the process to make it simple, fair and reasonable for all projects. Not only did this save time and energy for the citizen, but also stream-lined the process for the city. Nancy, thank you for a great idea!

Another change that we made was the process of obtaining a city business license. In the past, the city had over 77 different categories of business licenses. Again, after many discussions, Finance Director Mike Klug suggested that we should

eliminate some of our licenses. So we started to review the process. Much to our surprise we found out that we did not have the authority as a council to change licenses here in the city. I thought if we don't have the authority to make changes, who does? ONLY our state legislators in Charleston have that authority. Why? But the good news is Wheeling was able to circumvent the legislative process and change our number of licenses because we are a home rule city, which allowed us to make changes within reason to our home rule. So Wheeling made those changes and now Wheeling is the only city in the state that has 3 business licenses in five categories. Now that is simple, fair and reasonable. No longer does the city have to track 77 licenses and no longer do businesses have to fill out, pay for and post multiple licenses. Since our change, Governor Manchin has introduced a bill in which the legislature is debating giving all cities in WV the authority to regulate their own business licenses. We commend the Governor for seeing the value of allowing local government to serve its constituents.

During the last three years we have spent over one million dollars of your tax money in demolition of dilapidated buildings in the city. While we still have more vacant and dilapidated buildings, we will continue to be aggressive with property owners and will continue to tear down buildings that are unable to be repaired or saved. Under home rule there are over 190 buildings that meet the definition of vacant and dilapidated buildings. 109 of those building owners have registered with the city acknowledging responsibility. Those owners will pay a vacant and

dilapidated building fee if they do not maintain their structure beginning this October. We will also continue our work to have the other 80 building owners register their properties as well. This issue has been and will continue to be a major problem in Wheeling until the owners of these properties are held accountable. As Mayor, I will continue to work hard to make our city look better and have great curb appeal while encouraging property owners to take responsibility.

While we are discussing dilapidated buildings, no one in our community has done more to improve an area than the Diocese of Wheeling-Charleston and Most Reverend Bishop Michael Bransfield. Long before council started discussing how we could restore East Wheeling; Bishop Bransfield was already spending time, energy and money to revitalize East Wheeling. Now the Vandalia group, the City of Wheeling and the residents are working together to enhance the neighborhood. Over the next few weeks we will continue to bring information forward about plans concerning the residential development and streetscape in the area. Bishop Bransfield, thank you for being a leader in the East Wheeling community and thank you for spending your time and talents in making our city a better place!

When evaluating a company or reviewing goals, you need to find out what your company is doing well and where to make improvements. The first part is easy and we know tourism is something Wheeling does well. Each year hundreds of thousands of people come to Wheeling to visit Oglebay Resort, Wheeling

Park, Wheeling Island Hotel\*Casino\*Racetrack, The Highlands, WesBanco Arena and Heritage Port to attend numerous musical events, fairs and festivals. When tourists visit, they eat in our restaurants, stay in our hotels, buy our gas, and spend money with our retail stores. But over the last three years we had something missing in our city when we lost the Capitol Theater. We lost part of our history and a major part of our tourism base. I can remember when Jamboree USA would bring in over 150 thousand people every year with thousands of bus tours for the Saturday night shows. Through a tenacious group of leaders including David McKinley, Hydrie Friend, Bob Herron, Frank O'Brien, Denny Magruder, Don Rigby, Jeremy Morris, Craig O'Leary, Randy Worls, Ross Felton, Vice Mayor Gene Fahey and many others, the Capitol Theater is reopened and brings new energy to downtown.

And just since September, within 5 months, 18 shows have generated 500k in ticket sales and brought 22,000 people through the Capitol Theater doors. We estimate over a million dollars has been returned back to the community of Wheeling because of the opening of the theater. With several millions of dollars reinvested into the theater, it employed craftsmen, construction workers, and Wheeling Sports & Entertainment Authority employees to manage the operations. Those are local jobs affecting local families. This is a great investment for the Capitol Theatre and downtown Wheeling. The direct impact has been amazing! You can see real dollars being spent with local businesses right here in our community. Just the Broadway Shows alone



have spent thousands of dollars with the Wheeling Newspaper in advertising. Because of the capitol theater, people are parking in city lots, eating in our restaurants and staying in our hotels.

Also, with the leadership of Denny Magruder, the Wesbanco Arena last year saw almost 3 million dollars in ticket sales with over 100 major events held at the Arena. This year looks just as promising with the goal to have over 100 events at Wesbanco Arena, 30 events at the Capitol Theater and 70 events at the Heritage Port. Last year over 500k people came to our river front for the Italian Festival, 4<sup>th</sup> of July Celebration, Sternwheel Festival, Vintage Raceboat Regatta, Heritage Blues Festival plus many other venues that bring tourists to our town. With that amount of activity, you need first class overnight accommodations and so I would like to thank BOB HITCHMAN for his continued leadership in our community, for owning and operating the Hampton Inn and for his multi-million dollar investment into its renovation. Our guests will continue to have a first class hotel right here in Wheeling. Bob Hitchman, thank you for your commitment to your employees and to our city.

Just as reference, if it was not for the Hampton Inn and other hotels in the City of Wheeling, we would not have had the opportunity to reopen the Capitol Theater. The hotel, motel bed tax paid by tourists has allowed us the ability to renovate the Historic Capitol Theater. I want to publicly thank Dick Dlesk and Progressive Bank for their leadership in securing a

loan for the reopening of the Capitol Theater. Mr. Dlesk and Progressive Bank, we Thank you!

Here are some interesting facts: The City of Wheeling has three main sources of income: Business & Occupation Tax, the largest, followed by Property taxes and finally Fire Service fees. Total revenue for the city through ALL taxes and fees total 28 million dollars. Expenses for the same time period total 28 million dollars creating a balanced budget. Our water and sewer department's total revenue in 2009 was about 12 million dollars. Currently, there are over 200 million dollars in water/sewer upgrades that need done. Last year, the City of Wheeling had a total water volume of 2.8 billion gallons and cleaned 2.7 billion gallons of waste water. While City Manager Robert Herron and city council have made major changes in the last few years by eliminating expenses, cutting over head and eliminating positions, we continue to work in tight economic times, as manufacturing and steel continues to struggle and we see reduced revenue. Therefore, we must continue to work to maintain a high level of service that the tax payers demand while living within our means.

Significant challenges lie ahead for our City. Long term unfunded Police & Fire Pension liabilities continue to exist and put demands on our budget. Progress has been made over the past few years as funds have grown from 8% funded to now 30%, but that has been accomplished by the annual commitment of additional tax dollars. As the national economy continues to struggle, local downturns affect

overall fund revenues potentially from our gaming industry and Business and Occupational taxes. The Federal Government continues to impose stricter regulations on our water and wastewater utilities. These regulations force us to make significant capital investment which unfortunately translates to higher rates. Our water and sewer rates are amongst the lowest in the state, which ensures even more pressure from the Federal Government.

And this year's budget will not have any tax increases. However, we must remain vigilant during the national recession and monitor anything that may impact our ability to maintain a work force and services for our businesses and citizens. City Council and our employees must understand that we are living in the greatest recession since the Great Depression. Moving forward, change will be inevitable. On the economic front we, like the country, continue to struggle with the lack of job growth. While our unemployment rate is under the state and national average, we must and will continue to work to find new companies for our community and help local companies grow and invest. We will continue to work with the Ohio County Commission and REDp to attract new investments and businesses to our area. I congratulate the Ohio County Commission for the growth and investment of the Highlands. BUT WE MUST DO SO MUCH MORE to attract companies who can provide competitive wages. While we continue to meet our challenges, it is certainly noteworthy to recognize that during this past year, our largest

employer in downtown Wheeling grew and increased their business. WESBANCO transferred 40 positions to Wheeling, increasing their total number of employees to 500 positions just in the city alone. They continue to be a major contributor, not only to downtown, but to the entire city. Last year, while many banks eliminated positions, WesBanco grew. They could have left those jobs out of state, but they brought them home to Wheeling. Paul Limbert, Bernie Twigg and WesBanco, thank you for believing in Wheeling.

Since taking office, we work diligently to find tenants for our properties, find or help businesses grow, reduce or eliminate taxes, right-size government, improve infrastructure, and embrace technology to increase Wheeling's viability. I will be the first to admit the City of Wheeling has many challenges; but we also have many things to be proud of. In the last few years, the city has invested over 7 million dollars on the Stone Center which houses Williams Lea; the GGP project which houses LOWES; and on the 1100 block with total investments for two of these projects now over 22 million dollars.

And what to do with the 1100 Block in Wheeling? Some people think we should save it; some think we should tear it down. Last year we bought properties in the 1100 block for about 750k dollars and it's almost paid off. When I was elected, I felt we needed time to review the goals and direction of downtown Wheeling, which we continue to do daily. I would prefer to find a purpose for those buildings, to save them and offer good quality jobs. But we cannot and will not wait forever. If these buildings are to be

saved, before the end of this year we must find a purpose for them. If not, they must come down to pave the way for new direction and new purpose. But in saying that, other land owners in Wheeling must do the same. In Wheeling, there are properties that are over grown with weeds, littered with garbage, unclean sidewalks and weeds coming through the cement. City government takes the blame for many of those problems. However, it is not acceptable to hide behind a letter to the editor on a daily basis complaining about the community you live in. You must stand up and be a part of the solution and help our community thrive.

Wheeling is proud of its heritage and history. So, I would like to take this opportunity to acknowledge Sister Joannn Gonter and the Sisters of the Visitation in their great works for over 150 years in educating young ladies at the Mt. DeChantal Visitation Academy. I wish them well as they prepare to enter into the next stage of their ministry. I also give a big thank you to Center TV in Warwood for all of their work in the area from hanging banners to helping a neighbor they are pillars of the community. And as we enter 2010, the census continues to be an important tool in the evaluation of communities and allocation of resources. It's vital to our community that our citizens complete the census questionnaire for the funding of important projects in Wheeling's future. As we look towards the future, Wheeling must continue to embrace technology in all areas of government. Currently, the city's web site automatically syncs with other organizations to promote the Wheeling area and the web site has a

mobile application for smart phones. Our web site is interactive, which means citizens now have the ability to apply for various permits and licenses on-line without coming to the city building. Soon we will have on-line bill pay for all city services. We are one of the first communities to offer this feature in the state of WV.

In closing, I as your mayor, along with city council will take the responsibility to lead Wheeling. I ask that all of you help enhance, improve and create a community that we can all be satisfied to call home. I hope you will believe with me and believe in your city, that together we can create an environment where others will want to come to live and invest in our community. It's important to take pride in our property by demonstrating personal responsibility, and by doing our part, we will see great accomplishments in Wheeling.

I would like to thank my wife and family for their support as Mayor. I would also like to thank City Manager Robert Herron and the members of City Council and also the citizens of Wheeling for giving me this opportunity. Greater things are yet to come and Greater things are still to be done in this city! Thank you and God Bless Wheeling!

